MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress

Bill No. and sponsor: S. 3297 (Mr. George Allen of Virginia).

Proponent name, location: Hamilton Beach/Proctor-Silex, Glen Allen, VA.

Other bills on product (109th Congress only): None.


Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Electromechanical coffee grinders, with self-contained electric motor (provided for in subheading 8509.40.00).

Check one: ☒ Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

An electric coffee grinder of subheading 8509.40.00 is a household appliance used to grind coffee beans. It is powered by a small electric motor and typically contains a stainless steel blade that is mounted low in an oval plastic dome housing and is used to cut coffee beans. Unlike most coffee grinders, the proponent’s coffee grinder also has a selector setting that controls the fineness and consistency of the ground coffee beans. The top-half of a coffee grinder has a flat oval plastic lid, used to pour the ground coffee into an electric coffee maker. The principal import source of electric coffee grinders is China.
Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading : 8509.40.00</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col. 1-General rate of duty of duty</td>
<td>4.2%</td>
<td>4.2%</td>
<td>4.2%</td>
<td>4.2%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Estimated value <strong>dutiable</strong> imports</td>
<td>$14,040,000</td>
<td>$14,040,000</td>
<td>$14,040,000</td>
<td>$14,040,000</td>
<td>$14,040,000</td>
</tr>
<tr>
<td>Customs revenue loss</td>
<td>$589,680</td>
<td>$589,680</td>
<td>$589,680</td>
<td>$589,680</td>
<td>$589,680</td>
</tr>
</tbody>
</table>


Contacts with domestic firms/organizations (including the proponent):

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>Claim US makes same or competing product(s)?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hamilton Beach/Proctor-Silex (Proponent) Tripp Dillard, 804-418-7759</td>
<td>08/09/2006</td>
<td>No (Yes/No)</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Applica Inc. Harry D. Schulman, 888-677-7251</td>
<td>08/17/2006</td>
<td>No (Yes/No)</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Back to Basics Co. Mark Beesley, 801-523-6600</td>
<td>08/17/2006</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Jarden Consumer Solutions Rocky Rockingham, 561-912-4371</td>
<td>08/21/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Kitchen Aid Inc. Sara Bovim, 202-434-8993</td>
<td>08/14/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>National Presto Industries MaryJo Cohen, 715-839-2121</td>
<td>08/14/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Technical comments:

To track the language of the permanent tariff category more closely, it is suggested that the article description be modified as shown on page 1. We did not propose including the grind selector feature reportedly found only on proponent’s goods. We note that, if the general duty rate proposed in the bill were 0.7 percent ad valorem rather than free, the estimated customs revenue loss from the bill would drop below $500,000, assuming constant dutiable imports.

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3 The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.
A BILL

To suspend temporarily the duty on electric coffee grinders.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. ELECTRIC COFFEE GRINDERS.

(a) IN GENERAL.—Subchapter II of chapter 99 of
the Harmonized Tariff Schedule of the United States is
amended by inserting in numerical sequence the following
new heading:

| 9902.85.09 | Electric coffee grinders (provided for in
subheading 8509.40.00) | Free | No change | No change | On or before 12/31/2009 |
|------------|------------------------|------|-----------|-----------|------------------------|

(b) EFFECTIVE DATE.—The amendment made by
subsection (a) applies to goods entered, or withdrawn from
warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.